

E-MAIL IDs FOR SUBMISSION OF ANSWER SCRIPTS :

For General : corporate.sem5.gen@gmail.com

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**JOGAMAYA DEVI COLLEGE
INTERNAL ASSESSMENT 2020
B.COM Semester V
(HONOURS AND GENERAL)
Subject: Corporate Accounting**

Full marks: 10

Time : 30 mins

1. From the following information calculate the value of Goodwill by Super Profit Method and Capitalisation Method :
- i) Average capital employed in the business ₹ 7,00 000
 - ii) Net trading profit of the firm for past 3 yrs ₹1,47,000; ₹1,48,000 and ₹152,500.
 - iii) Rate of Interest expected from capital having regard to risk involved 18%.
 - iv) Fair remuneration to the partners for their services 12,000 per annum
 - v) Sundry assets (excluding goodwill) of the firm ₹7,54,762
 - vi) Sundry liabilities ₹31,329

Or

Calculate the value of one Equity Share from the following information of a Company---

- i) 60,000 Equity Shares of ₹10 each, ₹7 paid up
- ii) ₹2,00,000, 10%Preference Shares of ₹100 each fully paid up
- iii) Expected Annual Profits before tax ₹4,00,000
- iv) Tax Rate 35%
- v) Transfer to General Reserve 20% of the profits every year
- vi) Normal rate of return 20%.

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JOGAMAYA DEVI COLLEGE
Online Examination 2020
B.COM Semester V
(HONOURS AND GENERAL)
Subject: Corporate Accounting

Full marks: 40

Time : hr

Answer any 2 from the following:

1. X Limited made an issue of 10,000 Equity Shares of ₹15 each payable as follows:

- i) ₹4 per share on Application
- ii) ₹7 per share (including ₹2 per share as premium) on Allotment; and
- iii) ₹6 per share on first and final call.

Das holding 50 shares failed to pay the Allotment and call monies. Pal holding 80 shares failed to pay the call money. All these shares were forfeited and subsequently re-issued to Roy as fully paid -up @₹7 per share.

Pass Journal Entries to record the above issue, forfeiture and re-issue of shares in the books of the company. **(20)**

2. The following are the extracts from the Balance Sheet of A Ltd as on 31st Dec 2019.

Share Capital:

40,000 Equity Shares of ₹10 each fully paid - ₹4,00,000;

1,000 10% Redeemable Preference Shares of ₹10 each fully paid ₹1,00,000;

Reserve & Surplus:

Capital Reserve- ₹50,000

Securities Premium- ₹50,000

General Reserve- ₹ 75,000

Profit & Loss Account- ₹35,000

On 1st January 2019, the Board of Directors decided to redeem the preference shares at par by utilization of Reserve. You are required to pass necessary Journal Entries including cash transactions in the books of the company. **(20)**

3. The following balances appeared in the books of Y Ltd. On 1.4.2019 :

- i) Sinking Fund Account - ₹50,000
- ii) Sinking Fund Investment Account - ₹48,000 (10% Government Securities, Nominal Value ₹45,000) ;
- iii) 12% Debentures Account - ₹1,00,000

The company sold ₹30,000 Government Securities at 110% and redeemed part of the Debentures at a premium of 10% .

Show Debentures Account; Sinking Fund Account and Sinking Fund Investment Account. **(20)**